

JPRS 77702

30 March 1981

Latin America Report

No. 2278

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available from Bell & Howell, Old Mansfield Road, Wooster, Ohio 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

30 March 1981

LATIN AMERICA REPORT

No. 2278

CONTENTS

ENERGY ECONOMICS

MEXICO

- PEMEX Director Reports on Natural Gas, Increase in
Oil Production
(NOTIMEX, 18 Mar 81, Mexico City International
Service, 18 Mar 81) 1
- Natural Gas, Other Products, by Leonardo Valdez
Increased Oil Production
Figures on Petroleum Revenue

SURINAME

- Energy Development Efforts Pinned to Fossil Fuels
(CANA, 18 Mar 81) 4

COUNTRY SECTION

INTER-AMERICAN AFFAIRS

- FDR Representative in Venezuela Discusses Military Gains
(Orlando Ugueto; TRIBUNA POPULAR, 6-12 Feb 81) 6
- Goals of Panamanian President's Visit to Mexico Reported
(Panama City Circuito RPC Television, 17 Mar 81) 8
- Panama's Royo Says Solidarity Can Help Achieve Peace in Region
(Enrique Alvarez Manilla; NOTIMEX, 17 Mar 81) 9
- Mexican Foreign Policy Praised by Panamanian President
(Enrique Alvarez Manilla; NOTIMEX, 18 Mar 81) 10

BRAZIL

- Daily Comments on U.S. Policy Toward El Salvador
(Editorial; JORNAL DO BRASIL, 14 Mar 81) 11

Paper Analyzes Figueiredo's Colombia Visit (O ESTADO DE SAO PAULO, 14 Mar 81)	13
Government Party Senator Scores Economic Policy (Brasilia Domestic Service, 16 Mar 81)	15
COLOMBIA	
Briefs	
Plata, Pabon Captured	16
EL SALVADOR	
Production Sectors Reject 'Foreign Ideologies' (LA PRENSA GRAFICA, 28 Feb 81)	17
Newspaper Reports 'Carter Support' for Subversion (LA PRENSA GRAFICA, 26 Feb 81)	18
Public Protests 'Disparagement' of U.S. Papers (LA PRENSA GRAFICA, 6 Mar 81)	19
Captured Sandinist Reveals Nicaraguan Interference (LA PRENSA GRAFICA, 3 Mar 81)	20
Junta Policies Criticized by PCN Political Committee (EL MUNDO, 14 Feb 81).....	25
MEXICO	
Foreign Secretary Interviewed on North-South Summit (Enrique Alvarez Manilla; NOTIMEX, 13 Mar 81)	27
NICARAGUA	
'Imperialist' Anti-Nicaragua Strategy Denounced (Managua Radio Sandino, 11 Mar 81)	29
Confessions of Salvadoran Guerrilla Termed False (BARRICADA, 25 Feb 81)	31
Briefs	
Credits From Latin America	33
PANAMA	
People 'Fed Up' With Reagan's View of Communism (Victor M. Franceschi; CRITICA, 7 Mar 81)	34
Possibility of Political Situation in El Salvador Viewed (Editorial; LA REPUBLICA, 8 Mar 81)	36

Gen Walters Handled Local Press 'Very Skillfully'	
(Ricardo Lince; MATUTINO, 6 Mar 81)	38
Nicaraguan Ambassador Asks Panamanian Solidarity	
(LA PRENSA, 15 Mar 81)	39
Torrijos Seen as Alternative for Leadership Vacuum	
(Jose Franco; LA REPUBLICA, 8 Mar 81)	40
Socialist International Motives Questioned	
(Carlos Lasso Jaen; LA PRENSA, 11 Mar 81)	41
Government Opposition to Black Hawk IV Criticized	
(Miguel Antonio Bernal; LA PRENSA, 8 Mar 81)	42
TV Station Gives Account of Ancon Hill Incident	
(Luz Maria Noli; Panama City Televisora Nacional, 17 Mar 81)	44
Columnist Terms Derogation of Law 95 'Terrible Error'	
(Carlos Valencia; LA PRENSA, 15 Mar 81)	45
Local 900 Explains Objection to Title 7 Application	
(MATUTINO, 14 Mar 81)	47
IDB Mission's Plaudits Reflects Country's Image	
(Panama City Domestic Service, 12 Mar 81)	49
Briefs	
Policy Change	50
Ancon Hill Incident	50

PEMEX DIRECTOR REPORTS ON NATURAL GAS, INCREASE IN OIL PRODUCTION

Natural Gas, Other Products

FL182105 Mexico City NOTIMEX in Spanish 2013 GMT 18 Mar 81

[Report by Leonardo Valdez]

[Text] Ciudad Madero, Tamaulipas, 18 Mar (NOTIMEX)--Mexico produced 2.940 billion cubic feet of natural gas daily in 1980 which represented a 67-percent increase over 1976, and produced 193,000 barrels of ethane, liquid gas and gasoline daily.

This operation placed Mexico fifth in the world in production of natural gas products, Mexican Petroleum (PEMEX) Director General Jorge Diaz Serrano asserted here today in his report of PEMEX work at the 43d oil expropriation anniversary.

He emphasized to federal and state government officials, workers and special guests gathered here that the complex in Cactus, Chiapas State, is the center that produces more liquid gas in the world. He added that the operation in this country distinguishes itself for being one of the most efficient. Mexico currently is the third highest producer in the world since daily production has reached 250,000 barrels.

The director of PEMEX (a government agency) was emphatic in saying that the processing of basic petrochemical products in 1980 amounted to 220,000 tons or 83 percent more than in 1976. He added that six new petrochemical plants began operations in 1980 raising to 81 the total number of plants in operation or 21 more than 1976.

Elsewhere in his report, Diaz Serrano said that sales to satisfy the domestic market increased last year to 95.4 billion pesos of which 81 percent corresponded to oil products and the remainder gas and petrochemical products. For the first time, he added, natural gas consumption surpassed that of gasoline, fuel oil and coal. This shows the internal exploitation capability in vigorous support for Mexico's industrial and energy development, and in coming years Mexico will increase its importance even more, asserted the official.

Diaz Serrano stressed that at a time such as the present when the high cost and shortage of energy restricts the growth of many countries, we in Mexico have the hydrocarbons to sustain the economy's structural transformation process.

He recalled that the industrialized world achieved its development until 1973 by means of cheap energy and it is logical to think that Mexico, under the present circumstance, can and should achieve such development by scrupulously making certain that the proportion of assets does not affect the harmony of all the factors of production.

Referring to the external situation, he indicated that the balance of trade of oil and petrochemical products in 1980 was favorable by almost 222 billion pesos, which represented a 180-percent increase over the results obtained the previous year. The income derived from hydrocarbon exports increased from 7 billion pesos in 1976 to almost 240 billion last year. The average volume of crude oil exploited [as received, presumably exported] rose to 827,750 barrels daily, which is the equivalent of a 779-percent increase over 1976.

Regarding natural gas exports initiated on 15 January 1980, they amounted to 281 million cubic feet daily, first priced at 3.1625 dollars per 1,000 cubic feet and later adjusted to 4.47 dollars until reaching the current one of 4.8246. Income in 1980 from natural gas exports amounted to 10.3 billion pesos. [All figures as received]

Increased Oil Production

FL182049 Mexico City NOTIMEX in Spanish 1948 GMT 18 Mar 81

[Text] Ciudad Madero, Tamaulipas, 18 Mar (NOTIMEX)--Eng Jose Diaz Serrano today announced here that the production of Mexican petroleum--PEMEX--yesterday reached the amount of 2.55 million barrels per day and that during this year it will reach the 2.75-million-barrel goal. Diaz Serrano spoke before President Jose Lopez Portillo, representatives of the legislative and judicial branches, members of the presidential cabinet and more than 25,000 oil workers who gathered at the Tamaulipas Stadium to commemorate the 43d anniversary of the nationalization of the oil industry.

The PEMEX director said he was pleased to announce that the country's total proved reserves of hydrocarbons today total nearly 67.83 billion barrels, which places Mexico in the fifth place in the world and the production reserve now extends to 60 years.

In his report of last year's accomplishments, he indicated that Mexico's reserves have increased elevenfold since the end of 1976 to date. The probable reserves amount to some 45 billion barrels and the potential reserves, which include both, to 250 billion barrels.

Addressing the members of the Oil Workers Trade Union, among them its secretary general, Salvador Barragan Camacho, Diaz Serrano stated that this year PEMEX will contribute more than 300 billion pesos to the federation in (?subsidies). Jorge Diaz Serrano reported that last year's PEMEX income amounted to 362 billion pesos, more than seven times the 1976 income, and the industry paid taxes amounting to 162 billion pesos, more than 20 times the amount paid 5 years ago.

Diaz Serrano stated that the 1981 estimated contribution amounts to more than 300 billion pesos, which was the total amount of the 1980 investments, that is 121.8 billion pesos and this represents five times the amount paid in 1976.

Attending the ceremony were Panama's President Dr Aristides Royo, Chamber of Senators President Joaquin Gamboa Pascoe, the nation's Supreme Court of Justice President Agustin Tellez Cruces, Chamber of Deputies member Luis M. Farias and the governor of Tamaulipas, Emilio Martinez Manatou.

The PEMEX director said that the transformation into an oil industry of great proportions required the acquisition of modern technology and the specialization of technicians and workers. We can assert with pride that the training of the Mexican technicians is as good as that of the best in the world.

He reported that explorations of medium range objectives are being conducted in Baja California and Mazatlan Bay, and we are working on a short range basis in Michoacan, Guerrero, Oaxaca, Veracruz and the Neovolcanic axis. Likewise, preliminary exploratory studies conducted in the central Mesa of the Valles platform in San Luis de Ixtosi, in Sonora and in the Sierra de Chiapas suggest the possible existence of hydrocarbons.

Diaz Serrano stated that this year PEMEX will have 223 drilling equipment which will make it one of the principal drilling forms on an international level with the most modern technology and the best safety record in its operations.

In 1980 exploratory drilling resulted in the finding of 29 oil fields on land and six marine. Of the exploratory wells completed, 51 percent are productive. Diaz Serrano referred to the Gulf of Campeche where 20 months ago not a single barrel of oil was produced. He said today that area is producing 1.308 million barrels per day, a much greater volume than the one of the Texas and Louisiana continental platform which for many years was the most outstanding in this field.

Figures on Petroleum Revenue

PA181558 Mexico City International Service in Spanish 0300 GMT 18 Mar 81

[Text] In case of an increase in the existing petroleum prices, Mexico could receive almost \$20 billion for its crude exports, independent of the \$500 million it will receive from sales to the United States.

This was announced by the deputy directorate of the Commercial Bank Economic Consulting Department. It was emphasized that the resources proceeding from petroleum exploitation will amount to 418 billion pesos, of which 36.5 percent will be assigned for investment in the overall petroleum industry development plan.

CSO: 3010

ENERGY DEVELOPMENT EFFORTS PINNED TO FOSSIL FUELS

FL181716 Bridgetown CANA in English 1611 GMT 18 Mar 81

[Text] Paramaribo, Suriname, 18 Mar (CANA)--Suriname will pin its efforts to develop alternative energy sources to fossil fuels on the Kabalebo Hydroelectric Project to be set up in the western part of the country.

This was stated here yesterday by Dr Herman Adhin, the minister of development, at a press conference. He was reporting on the work done by his ministry during the first year of the military-backed government of President Henck Chin-a-sen.

In a brochure setting out the ministry's work the minister said that the Kabalebo project is to be built in two phases. The first phase will produce 250 megawatts of power and is estimated to cost 500 million dollars (U.S.).

He said studies had shown the project to be feasible and flexible for different stages of implementation.

During the year, funding of the project was discussed with a number of international agencies and governments which have shown interest. These include the Inter-American Development Bank (IDB), the European Development Fund (EDF), the World Bank, and the Dutch and Brazilian Governments.

The minister pointed out that if the country is to realize its economic potential to improve living standards then projects like the Kabalebo must be implemented with speed.

The idea of the project dates back to 1971, when the United Nations Development Fund (UNDP) was asked to finance a feasibility study based on discussions held when the first hydroelectric dam at Brokopondo was constructed.

This study was completed in 1975, and since then data has been collected for the foundation of the dam. There has been construction of a 260 kilometer access road to the project site and completion of three ecological studies.

The minister said the energy generated in the first phase of the hydroproject will be used mainly to offset Suriname's petroleum imports used for power generation.

The minister said the ever rising cost of imported oil was behind Suriname's concerted efforts to find alternative sources of energy.

In 1978 Suriname imported 5.25 million barrels of oil at a cost of 95 million dollars (U.S.). In 1980 the cost went up to 180 million dollars (U.S.) for the same amount.

He said while the cost of oil imports had increased, production had not risen commensurately. He said that 14 percent of all oil imports here was for bauxite companies.

The minister estimated that phase one of the Kabalebo project should be completed by 1985.

In an effort to accelerate the pace of the development of the project Suriname has set up a special authority to deal with all agencies that are interested in funding and other aspects of the project.

The minister commended the Guyana Government for agreeing to establish a joint commission to study the ecological effects of the project. The commission met already and is in the course of preparing a report. The study was undertaken at the insistence of the World Bank in order that the project could qualify for funding from the international lending agency.

Dr Adhin also disclosed that there are proposals for setting up other minihydro projects and already studies have started on this. In the meantime he said that Suriname was hopeful that its search for oil will bear fruit.

The minister said that the government's discussions with the Gulf Oil Company and other groups including the State Oil Commission give hope of finding oil.

He said studies were being carried out on the use of biogas, wood and charcoal as alternative sources of energy.

Dr Adhin said that Suriname was taking very seriously the question of producing energy at very high levels and if the people put their efforts together, the good life the government hopes to provide for them could be realized for generations to come.

CSO: 3020

COUNTRY SECTION

INTER-AMERICAN AFFAIRS

FDR REPRESENTATIVE IN VENEZUELA DISCUSSES MILITARY GAINS

Caracas TRIBUNA POPULAR in Spanish 6-12 Feb 81 p 4

[Article by Orlando Ugueto]

[Text] A ceremony to demonstrate solidarity with the people of El Salvador was organized by the International Solidarity Committee (COSI) and was held on Thursday, 29 January, at the headquarters of the Single Workers Federation of Venezuela (CUTV).

At the ceremony, which was heavily attended, revolutionary leader Calixto Solaya, the representative of the Revolutionary Democratic Front (FDR) in our country, and secretary general of the Regional Labor Federation (CRT), trade union leader Francisco Camacaro, spoke.

Camacaro discussed various aspects of the political and military situation in El Salvador in the course of his address. He also reported to those present on the results of the international conference on solidarity with El Salvador held in the city of Quito, Ecuador, on 20 and 21 November last, attended by representatives of all the Latin American countries, as well as Belize and Guyana.

In his address, Salvadoran leader Calixto Solaya gave a summary of the development of the revolution in his country from the year 1932, the date of the popular uprising organized by the peasantry and the newly developing workers' class, to the recent events which have shaken this Central American nation today.

He said that no one has confidence in the military capacity of the people of El Salvador. "Everyone wants proof of it, of our military capacity.

"There is the proof," he emphasized. "Our militiamen, our popular blocs, have taken over more than 50 percent of the territory, confiscating weapons, seizing airports, towns, cities, etc."

The representative from El Salvador said that these triumphs were basically due to the fact that the people, despite many years of oppression, have never bowed their heads. Preparations had been underway for years and in the month of January last year the Revolutionary Democratic Front began to be organized, rallying a number of organizations of the left and other democratic and anti-imperialist sectors. Parallel to these forces, the political-military junta was being formed, and in September, the process of organizing the Farabundo Marti National Liberation Front (FMLN) began.

"The North American imperialists, who are trying by every means to conceal the truth about what is happening in our country through blackmail, assassination and the persecution of journalists, as well as control of the news agencies, are unable to conceal these triumphs," Calixto Solaya said.

The representative of the FDR also said that the people of El Salvador have not been defeated, as speculation has it.

"They are fully certain," he said, speaking to those present, "that the FMLN is prepared for final victory and that against any intervention in aid of the criminal government, the democratic peoples of America and the world will respond. For if the region must become another Vietnam, then it will, because the struggle of the Salvadorans is not only their struggle, but that of all peoples and all the exploited classes. We are a peace-loving people and for this reason we welcome the war in the final search for peace," the representative of the FDR said.

A number of personalities and representatives of organizations in exile with headquarters in Venezuela attended the ceremony. Messages voicing the solidarity of the Popular Front for the Liberation of Palestine, the Marxist-Leninist Spanish Democrats, the Paraguayan-Venezuelan Democratic Cultural Association, the Society of Friends of the German Democratic Republic (SARDA), the Portuguese Communist Party, the Bolivian colony, and the "posadistas" were read.

During the ceremony, the Theater Group for Workers (T-POS) gave an excellent performance depicting oppression and also the liberation of the Salvadoran people from the yoke of the oligarchy and imperialism.

5157

CSO: 3010

GOALS OF PANAMANIAN PRESIDENT'S VISIT TO MEXICO REPORTED

PA172209 Panama City Circuito RPC Television in Spanish 1715 GMT 17 Mar 81

[Text] Panamanian President Aristides Royo traveled to Mexico today to negotiate a free trade agreement with his Mexican counterpart, Jose Lopez Portillo.

Mexico and Panama are currently negotiating a free trade and preferential status agreement which will open up new export possibilities for Panamanian industry.

It was reported that this treaty seeks to attract capital and to obtain appropriate technology for Panama.

President Royo, who will be in Mexico on an official 4-day visit, is accompanied by his wife Adela Ruiz de Royo; Jorge Illueca, foreign minister; Arturo Melo, commerce and industries minister; Ernesto Perez Balladares, planning and economic policy minister; Edwin Fabrega, director of the Institute of Hydraulic Resources and Electrification; and Lt Col Pedro Ayala, member of the National Guard general staff.

In the two meetings to be held with Lopez Portillo, Royo will inform him of the noncompliance with the Torrijos-Carter treaties signed by the United States in 1977, as well as of the stance Panama will take at the international level to better defend its rights, a Panamanian foreign ministry spokesman disclosed.

Mexico was one of the Latin American countries which supported and helped Panama in the negotiations with the United States for the signing of the new canal treaties.

It was also said that another subject to be discussed by the two presidents will be a formula to ensure the supply of oil to Panama. Taking into consideration the benefits of the Mexican-Venezuelan oil agreement signed in San Jose in August which guarantees the supply of oil to the Central American countries with long-term payments and low interest rates, this visit will also give Panama the opportunity to offer Mexican enterprises the possibility of participating in work projects for our national development.

The two presidents will also analyze the Central American political situation, especially the situation in El Salvador.

It was learned that President Royo will give his Mexican counterpart two bronze herons as a gift. Royo will receive the keys to Mexico City and will attend a number of events in Manatitan, Veracruz on the occasion of the expropriation of an oil company.

The Panamanian president will meet with Mexican businessmen and will visit the Mexican Museum of Anthropology.

CSO: 3010

PANAMA'S ROYO SAYS SOLIDARITY CAN HELP ACHIEVE PEACE IN REGION

FL172014 Mexico City NOTIMEX in Spanish 1952 GMT 17 Mar 81

[Article by Enrique Alvarez Manilla]

[Excerpts] Mexico City, 17 Mar (NOTIMEX)--Central America finds itself shaken by violence and fear; therefore, the example of solidarity and friendship between Mexico and Panama can help to achieve peace in that region.

Panamanian President Aristides Royo made this statement upon arrival at noon today at the presidential hangar of Benito Juarez International Airport in this capital, where he was received by Mexican President Jose Lopez Portillo.

Aristides Royo said the Panamanian people are grateful to the people and rulers of Mexico who at all times have supported the Panamanian struggle to recover its sovereignty through reason, law and justice.

After his welcome at the presidential hangar, the Panamanian president was accompanied by President Lopez Portillo to the hotel where Royo and his entourage will be staying.

Royo arrived at the Los Pinos official residence at 1300 hours and began his first round of talks with President Jose Lopez Portillo in the library after an exchange of decorations and gifts.

Tomorrow, 18 March, which marks the anniversary of the oil expropriation in Mexico, the Panamanian president will accompany President Lopez Portillo to the ceremonies with which the historic date will be commemorated.

Lopez Portillo and Aristides Royo will travel aboard the presidential plane Quetzalcoatl One to Minatitlan, Veracruz state, (in the country's southwest) where the Mexican president will inaugurate the Cosoleacaque petrochemical complex and will chair a working meeting on the Mexican food system (SAM) in the state.

Later, the two presidents will fly to Tampico, Tamaulipas state, (in the country's northeast) where the main commemoration of the oil expropriation anniversary will be held.

The Panamanian president's schedule will last until Friday, 20 March, when he will leave Mexico at 1700 hours local time after President Jose Lopez Portillo bids him farewell.

CSO: 3010

COUNTRY SECTION

INTER-AMERICAN AFFAIRS

MEXICAN FOREIGN POLICY PRAISED BY PANAMANIAN PRESIDENT

FL190021 Mexico City NOTIMEX in Spanish 2306 GMT 18 Mar 81

[Report by Enrique Alvarez Manilla]

[Excerpts] Tampico, 18 Mar (NOTIMEX)--While acknowledging the work of former Mexican President Lazaro Cardenas and that which President Jose Lopez-Portillo is doing, Panamanian President Aristides Royo has praised Mexico's foreign policy, saying that the Latin American peoples always will be on the side of this nation which they consider their ally.

The Panamanian president spoke here this afternoon at the conclusion of the mass rally at Tamaulipas Stadium with which the 43rd oil nationalization anniversary was commemorated. Mexican Petroleum Director Jorge Diaz Serrano also spoke to report on the activities of the institution he heads over the past 12 months.

Mexico could exhaust its hydrocarbons, Royo said, but it will not starve to death because it is also working courageously on food production. The Panamanian president said Mexico has a solid foreign policy, respects self-determination and knows what it is to confront another country when its rights are undermined. Therefore, the Latin American peoples know they will find an ally in Mexico. Because of all this, Aristides Royo asserted, Mexico will not be alone and will have the support of our Latin American peoples on any eventuality in the struggle for its interests.

CSO: 3010

DAILY COMMENTS ON U.S. POLICY TOWARD EL SALVADOR

FY190248 Rio de Janeiro JORNAL DO BRASIL in Portuguese 14 Mar 81 p 10

[Editorial: "The Touchstone"]

[Text] The Salvadoran crisis continues to be the weak point of the team which has taken over the White House under generally favorable auspices.

In the light of recent developments it would be difficult to find fault with Washington policy toward the problem. If large quantities of arms and guerrillas enter (or entered) El Salvador through the Moscow-Havana-Nicaragua connection, it was certainly necessary to counterbalance this flow and try to curb it immediately. It seems that the evidence supplied in this regard has convinced the suspicious European partners of NATO.

It has been announced that this flow has declined substantially. Could this have been the result of the U.S. verbal offensive? This would indeed be a lightning result. However, it would be far more realistic to believe that since the failure of the guerrillas' "final offensive" in January, their allies have begun to measure their targets more carefully, and this has led to offers for negotiation.

Whether this is the result of the approach of the new U.S. administration toward the problem or not, there can be no doubt that whatever this approach had in the way of conviction, it lacked in the way of political meaning and a feel for details. A verbal offensive cannot take the place of a political proposal, and this political proposal has been postponed so far, according to statements such as that of Gen David C. Jones, chairman of the joint chiefs of staff of the U.S. Armed Forces, who said that the United States "must act immediately to prevent the erosion of our hemisphere," a remark which implies the fundamental error of believing that the "firm attitude" of the United States will prevent the possible progress of the various leftwing movements in the hemisphere.

This mistake in judgment is the result of two factors. The first is the obvious fact that regional matters appeared very low on the list of priorities and concerns of the Republican team which won the November elections. The under secretary of state for regional affairs has not been named yet, and the candidates for the position awaken no enthusiasm.

We know now that to compensate for this delay at the end of last year El Salvador was chosen by the masterminds of U.S. diplomacy to serve as a testing ground, an "exemplary case," where Soviet expansionism would be confronted first. This decision was prompted by the fact that in July 1980, while Ronald Reagan was talking about the "adversaries who are testing our willpower" at the Republican Convention, a Salvadoran communist leader, Shafick Handal, was visiting the countries of the Soviet bloc seeking suppliers of arms. However, to turn the Salvadoran crisis into the touchstone of the confrontation between the two blocks would mean to withdraw this crisis from its regional framework, thus losing the feel for the nuances.

"The United States will not allow penetration by Cuba and the Soviet Union in its own backyard," President Ronald Reagan recently stated at his second press conference. Thus, for the very reason of being the "U.S. backyard" El Salvador could hardly become "another Vietnam."

As we have said before, in January the guerrillas lost all hope of obtaining a decisive victory and began to talk about negotiations. The Salvadoran people have clearly shown their repudiation of the partisans of violence; however, violence does not come from leftist guerrillas alone.

The United States has, according to our evidence, enough resources to influence the course of events in that tiny Central American country. However, they should not forget the fact that, rather than Russians and Cubans, what they have to deal with there are the old regional phantoms which cannot be defeated through the inflexible approach of the military academies.

CSO: 3001

PAPER ANALYZES FIGUEIREDO'S COLOMBIA VISIT

PY182111 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 14 Mar 81 p 6

[Text] The political results of President Joao Figueiredo's visit to Colombia should be considered surprising. Even during the preparation of his trip it was known that his objectives were basically political, framed within Itamaraty's strategy aimed at greater rapprochement between Brazil and the other Latin American countries. However, Itamaraty did not count on the important role which President Turbay Ayala assigned to Brazil by insisting on the leadership which Brazil exercises within the Latin American framework.

This was also an expressed acknowledgement of the success which the current government's policy of opening is receiving from other Latin American countries. Colombia prides itself on being the most stable South American democracy and makes its preaching of democracy the spearhead of its foreign policy, which is conducted by militant politicians and not by diplomats. Ayala would have not propelled Brazil to a position of leadership if he did not believe that Brazilian democracy has attained at least reasonable levels.

Officially, the government rejects this position that Colombia wants for Brazil. It can do nothing else, since any other attitude would pose almost insurmountable problems with other neighbors like Venezuela and Argentina. However, it is obvious that the quest for understanding with South America is yielding results and is placing Brazil in a position different from other countries.

The satisfaction of the Brazilian entourage, especially after Turbay Ayala's speech at the ceremony held to sign the joint communique, was impossible to disguise. As to the reception which Figueiredo held to honor Turbay Ayala, it was described by Geraldo Eulalio Nascimento E Silva as the most impressive diplomatic reception which he had seen during his 6 years as ambassador in Colombia. Both the strength of the applause which Figueiredo received after his speech and the presence of practically every invited guest--approximately 800 all told--deeply impressed the Itamaraty officials.

However, the trip was not all fun. Brazilian and Colombian positions clashed regarding certain very important foreign policy issues. The joint communique was released practically the way it was suggested by Itamaraty, which has a diplomatic corps which is more professional and effective than the Colombian Foreign Ministry's. However, the references to El Salvador did not come out the way Brazil

wanted. Colombia has more relations with the Salvadoran Government junta, and Colombia itself has to cope with the problem of guerrillas in its territory. Brazil's relations with the Salvadoran Government are purely formal, and it overcame the guerrilla problem a long time ago.

Because of all this, the Colombians did not accept Brazil's proposal to state in the joint communique that the problems in El Salvador stem from social schisms and that the solution for the current conflict should be negotiated between the two parties involved. If there is one thing Colombia is not prepared to accept, it is talking to guerrillas—not even if the talking is to take place in El Salvador—because of its own domestic situation.

Another problem which the Brazilian negotiators met was the different views about intervention and its meaning. Even in the case of El Salvador, when Brazil says that it is rejecting intervention, it has the United States in mind. When Colombia speaks of intervention, it is thinking of the support which the communists are giving to Salvadoran rebels.

Even so, four paragraphs on this subject were included in the joint communique, which could be considered a partial victory for Itamaraty, partial because the tone used was considerably more amiable than the one initially proposed.

As to the reference which the two countries made to relations with the United States, they were considered very strong by those who are accustomed to the subtleties of diplomatic language. Brazil and Colombia advocate a new dimension for these relations because, as the communique states, they are not satisfied with the current level of cooperation and they want the establishment of new guidelines, capable of "taking into consideration the interests of all parties involved and a strict respect for the sovereignty of each state."

CSO: 3001

GOVERNMENT PARTY SENATOR SCORES ECONOMIC POLICY

FY180231 Brasilia Domestic Service in Portuguese 2200 GMT 16 Mar 81

[From the Congressional Report]

[Text] Analyzing the first 2 years of General Figueiredo's administration, Social Democratic Party [PDS] Senator Luiz Cavalcanti today stated that the government attained political victories but failed in its struggle against inflation.

He believes that at the end of the first third of his 6-year term in office there has been considerable progress toward democratic normalcy, to the extent that contemporary politics could now be divided into two phases: before and after Joao.

He added, however, that during the first 2 years of the current administration inflation soared to 300 percent, and should this trend continue it will reach 6,300 percent at the end of Figueiredo's term in office.

Recalling the 81.7-percent inflation reached by the end of the first year of the current administration, Luiz Cavalcanti stated that this figure should be a warning to the president himself, in view of his commitment to curbing inflation.

The senator for Alagoas state indicated that judging by the statements of economic officials and certain businessmen which are being constantly disseminated by the news media every positive forecast has been gradually belied and all that remains is the constantly increasing cost of living.

Senator Cavalcanti believes that the difference between government forecasts and reality is helping to undermine the image of the government and the credibility of the authorities. He added that this situation also harms the PDS electionwise, to the extent that the Social Democratic Party is beginning to feel concern over its fate in the 1982 elections. In this regard, Senator Cavalcanti supported other PDS parliamentarians who are calling for the ouster of Planning Minister Delfim Neto.

Cavalcanti ended his speech by emphasizing that his words were not intended to convey any kind of rebelliousness against the PDS, but were merely in keeping with the instructions of President Figueiredo, who has asked the members of the PDS to say what the people want and feel and not what the president wants or feels. He said: I am firmly convinced that every line of my speech reflects what the people want and what the people feel.

CSO: 3001

BRIEFS

PLATA, PABON CAPTURED--Bogota, 18 Mar (EFE)--The Colombian guerrillas were dealt one of their harshest blows this week, when the powerful 19 April Movement (M-19) was practically dismantled with the capture of one of its top leaders and founders, Carlos Toledo Plata, by the army. According to an army intelligence service spokesman, five of the guerrillas who participated in the occupation of the Dominican Embassy in early 1980 have also been arrested, including Rosenberg Pabon Pabon, also known as Commander Uno. After an operation carried out in 1979 in the wake of the theft of more than 5,000 weapons from a military depot, this is perhaps the most effective blow that the Colombian Army has dealt subversion, since the M-19's top command and officers staff have been practically dismantled. The only top M-19 leader still at large is former university student Jaime Bateman Cayon, who is currently being court-martialed in absentia, along with about 100 other activists, among them Carlos Pizarro Leon. [Excerpts] [Report by German Acero Espinoza] [PA181426 Madrid EFE in Spanish 1405 GMT 18 Mar 81]

CSO: 3010

PRODUCTION SECTORS REJECT 'FOREIGN IDEOLOGIES'

PA070212 San Salvador LA PRENSA GRAFICA in Spanish 28 Feb 81 p 13

[Text] "Those Salvadorans who love representative democracy and independence and who do not want the country to be infiltrated by strange foreign ideologies, whether they be called communism or collectivism, have good reason to be grateful to Mr Ronald Reagan, who since assuming the presidency of the United States, has shown an interest in the political situation in our country and the threats hovering over our freedoms by the political leftists and their armed branch, the guerrillas."

The above is part of a communique published by the national production sectors. It then adds: "Politically, El Salvador is facing situations that could bring even greater harm to national activities and affect even more the already critical economic stability."

Persons interested in international political affairs, referring to the position of President Reagan, say: "The initiative taken by the Reagan administration, of sending missions to Europe and Latin America to report with convincing proof about Communist intervention in our country, will certainly counteract the Marxist penetration in our Salvadoran soil. For that, we Salvadorans must thank President Reagan," the communique emphasizes.

Further on it states: "Politically, however, there are still situations that could, at a given moment, distort the socio-economic process El Salvador has worked on for the past decades and which today is cause of concern among the productive sectors.

"The Salvadoran people want to maintain the representative democracy, politically and economically. They want to maintain their individual freedoms by contributing with their initiative and ability to the improvement of the nation's population."

In conclusion the document notes: "The Salvadorans, aware of their commitments to the fatherland and the working sectors, do not want imported systems or ideologies which have failed elsewhere and would only disrupt productive activity and the people's way of life even more. San Salvador, 25 February 1981."

CSO: 3010

NEWSPAPER REPORTS 'CARTER SUPPORT' FOR SUBVERSION

PA062356 San Salvador LA PRENSA GRAFICA in Spanish 26 Feb 81 pp 2, 17

[Text] Well-informed sources said yesterday that there is evidence that the Carter administration deliberately supported the efforts of the terrorist groups operating in the country and made concessions to the leftists.

The sources said that as a result of this "there was a big increase in subversive activities and this situation was skillfully and timely used by the Soviets to gain important strategic positions in the struggle being waged by the Soviet Union and its satellites for geopolitical domination in the Central American region to strengthen their area of political influence in the Caribbean."

The sources indicated that it is obvious that Carter's advisers ignored U.S. intelligence reports. The white paper that has been published by the Reagan administration, chronologically notes logistical activities of, as well as international political support for, the guerrilla bands operating in El Salvador with the support of foreign mercenaries.

The sources noted that now, with Reagan's firm government, the course of political and military events in the Central American region, and especially in El Salvador, have changed radically.

The sources add: "The terrorists of the Revolutionary Democratic Front, FDR, have been characterized by Reagan himself and by Secretary of State Alexander Haig, as criminals who are unconditionally at the service of Moscow through orders transmitted by Fidel Castro and his chorus within Nicaraguan Sandinism."

For these reasons, the sources noted, "There is no grounds for the FDR holding negotiations with the revolutionary junta of the government, since the front is nothing but the other face of the terrorist 'Farabundo Marti National Liberation Front (FMLN).'

"Important sectors of the country stated yesterday that if the present government tries to negotiate with the FDR terrorists, it would be ignoring the sacrifice of thousands of Salvadorans who have died as a result of this fratricidal war unleashed by communist supported by Moscow and Havana."

The sources concluded by stating that the FRG Social Democratic Government is not qualified to act as a mediator because its political interests are at the service of the Socialist International presided over by Willy Brandt. The sources said that there should be much cautiousness and that the military strategists should analyze all the very dangerous implications of a negotiation proposed from Bonn by the Social Democrats.

PUBLIC PROTESTS 'DISPARAGEMENT' OF U.S. PAPERS

PA062347 San Salvador LA PRENSA GRAFICA in Spanish 6 Mar 81 pp 3, 41

[Excerpts] Bad feeling and discontent have been generated by the disparaging manner in which the WASHINGTON POST referred to this country in an editorial on 24 February, one of the paragraphs of which we published in yesterday's issue.

Many people have called our offices to express their indignation over the description of "miserable" applied by that newspaper of the U.S. capital to El Salvador. The NEW YORK TIMES speaks of a "small coffee country."

Some of the callers say that it is certainly true that conditions in El Salvador are "miserable" at this time, but this is because of the measures imposed on us as a result of the disastrous policy of the past Carter administration, which took the form of the "structural reforms" that have brought us to the present economic crisis.

Some of the callers also said that perhaps the WASHINGTON POST is right in calling us "miserable," because we have to resort to foreign charity. It was said that recently, Tuesday, 3 March, to be specific, a Voice of America broadcast stated that the president of the revolutionary government junta of El Salvador had submitted a request for emergency economic aid from the United States for a total of \$200 million to reactivate the Salvadoran economy.

Finally, the callers said that neither the WASHINGTON POST nor any one else has the right to mock or underestimate a dignified, hard-working people like the Salvadorans, who recently have been subjected to calamities like the terrorist assault and the economic crisis, the latter caused by the stupidity of the Carter administration.

CSO: 3010

CAPTURED SANDINIST REVEALS NICARAGUAN INTERFERENCE

PA110445 San Salvador LA PRENSA GRAFICA in Spanish 3 Mar 81 p 19, 20

[Article entitled: "Statement by Orlando Tardensillac Espinoza 'Milo,' Junior Officer of the (Nicaraguan) Sandinist Peoples Army"--slantlines denote boldface as published]

[Text] My name is /Orlando Tardensillac Espinoza/; I am 18 years old and was born in /Masaya/ on 15 December 1962. I am a Nicaraguan, a Catholic member of the Third World, a moderate socialist, I enrolled in the university in the preparatory course for architecture in the National Autonomous University of Nicaragua in /Managua/, I belong to the /Sandinist National Liberation Front/ [FSLN] since February 1978.

My friends within the Sandinist front are: Commander /Lauro Robelo Oche/, responsible for logistics in the 6th military region, and junior officer /Edmon Mayorga Gutierrez/. I also have other friends: /Adela Tijerino Jafra/, in charge of the FSLN press office; /Eden Pastora/; /Omar Lacayo, commander of the western front/; commander uno, /Dora Maria Tellez/; /Hilario Sanchez/, guerrilla commander of the 6th military region; /Esteban Escobar/, commander and heavy artillery training officer in /Montelimar/; /Ivan Garcia/, chief of the Nicaragua Labor Federation who is also my friend. I also have foreign friends: /Carmelino Cienfuegos/, trainer and member of the FSLN tactical command; and one named /Montserrat/, who is also an instructor at the /Regina Tejada/ officers' training school in the /bunker in Managua/.

My parents are /Juana Espinoza Escalante and Orlando Tardensillac Depor/; they are Nicaraguans. On 30 November 1979 we were chosen /in Nicaragua/ by the FSLN to join the committee of solidarity with the Salvadoran people, and to train others in ideological and political matters regarding the social situation existing in El Salvador. During the next 5 months we were trained, mostly in ideological matters and also received information. We were taken from this training by /"Antonio"/, chief of personnel of this committee, to join the Salvadoran guerrilla ranks. This committee was made up of approximately 500 FSLN members who had a certain amount of military preparation. The personnel was picked in /Nicaragua/ according to the needs of each organization and sent to some organization fighting in /El Salvador/. I was personally sent to the "Armed Forces of National Resistance" [FARN] because they needed an infantry instructor. On 25 March, /"Antonio"/ gave me \$300 to find my way illegally into /El Salvador/. He also indicated that

my contact was at the /El Salvador/ National University and that he was in the school of law and his name was /"Nacho"/. He also informed me of the documents I should present: A military health card, a general health card, my birth certificate and my identification as a member of the Sandinist front. He showed me the route which was the following: He told me that the best route was from /Managua/, along the northern highway and passing through /Esteli/ then to /Somoto/. He asked me if I knew the lay of the land there and I told him I did, I had traveled these mountains during my guerrilla training with the FSLN. I began walking from /Somoto/ and reached /Oropoli/ in Honduran territory. From there I went to another Honduran town and from there to /Tegucigalpa/ where I spent the day receiving information from authorities from /El Salvador/. From /Tegucigalpa/ I went to /Nacaome/ where I spent some time studying the terrain in a map I had purchased in /Tegucigalpa/. From there I went to /Goascoran/ and from there to /El Sauce/ in Salvadoran territory. From there I went to /San Miguel/ and then went to /San Salvador/ and my contact at the national university.

I arrived at the national university and contacted /Nacho/ directly. He received my documents and told me they were going to be investigated. This took some days and once my nationality had been proven he told me to draft an infantry school project for the preparation of personnel not yet trained for guerrillas and to begin the school.

This school was organized at the /university extension service/ in front of the university and we trained some 200 students during 8 weeks. The school began operating on 25 April and ended when the school was occupied. When that happened, I went to km 8 on the northern highway to a house owned by the organization where I spent 30 days coordinating with my chief /Tono/ on how to coordinate a group and to keep it from dispersing. I was then transferred to /Merliot/ where I lived until the end of December with a Mexican named /Jose Gregorio Alfonso Cortez Zamora/. In January, I was told that my mission was to reorganize and to coordinate the /La Libertad/ and /La Paz/ camps in the south central front. These camps were to be reorganized because of poor militia training. I worked at this until the /armed forces/ arrived and dismantled the camp. On 7 January I was informed that the /general offensive/ was about to begin. My mission was to wait for a Nicaraguan aircraft that was going to bring us sufficient weapons to begin the operations assigned to this front. We were going to implement these operations with the support of the offensive that was going to be launched on /San Salvador/ and the northern zone. The aircraft was scheduled to arrive on the night of the 9th or the dawn of the 10th. However, it never arrived for reasons beyond my knowledge. This aircraft was supposed to bring 50 FAL rifles, 3 RPG-2 rocket launchers and 3 FAL light .30 caliber machineguns. These were supposed to come with their respective ammunition and magazines. On 30 January, I was captured in /Zaragoza/ with a forged identification document issued in /Jucuapa/ and which /Nacho/ had given me at the national university when I left for my protection. The document said that I was single, a mason and Salvadoran.

Regarding the aid given by /Nicaragua/ to the Salvadoran guerrillas, we could say it is total and direct since it is given on three levels: logistical, personnel and as a political rearguard. With regard to personnel support, the FSLN first sends technical personnel for the support and base of the Salvadoran guerrilla

front command organization. This is what happened in my case, because some 500 FSLN compañeros were sent to train the Salvadoran guerrillas properly. I can say in my case that I have trained others in infantry, light artillery, general infantry, medium artillery and a short course in command taught in the mountains in /Nicaragua/. These short courses were given by people from /Angola and Argentina/; there were also Panamanians, Cubans and others. During these trips, the FSLN, acted through its solidarity committee in order to enter /El Salvador/. Also, the Nicaraguan Government, that is to say the junta, all the Sandinist peoples army and mass organizations like the Labor Federation, the Students Federation, and the Youth Federations--all of them directly and enthusiastically support the /Salvadoran/ guerrillas.

Regarding the support received by the (Salvadoran guerrillas)...the Salvadoran people by means of /Nicaragua/ also includes logistical support. /Nicaragua/ serves as its rearguard by means of warehouses for the storage of weapons and its transfer to the Salvadoran people. These warehouses are in the /bunker/ in the /German Pomares/ complex. Some of the Salvadoran guerrilla warehouses pretend to be Sandinist peoples army warehouses but they really do not belong to them.

They also receive support by means of the delivery of these weapons since /Nicaragua/ has semiclandestine landing strips for the weapons to be taken to /El Salvador/.

There are clandestine landing strips which the revolutionary government knows about. They are located in /Jinotepe/ on properties of the /Wheelock/ family and there are also landing strips in cotton plantations in /Leon/, at the /Papalonal/ in /Nalpaisillo/. These strips are used to load twin-engined Cessnas and C-47's which fly to El Salvador to deliver logistical material. Also in the /bunker/ in /Nicaragua/ are vans which have been prepared to take weapons to /El Salvador/ overland. We also have the port of /Corinto/ and /Potosi/ and /San Rafael Del Sur/ where ships are loaded with weapons for /El Salvador/.

With regard to countries which support the Salvadoran people directly by means of the Nicaraguan people, we have the socialist countries as a whole, beginning with /Russia/ which supports the Salvadoran guerrillas directly through /Cuba/. There are also the Cuban people and the Cuban Government especially, the German Government (GDR), and the Angolan and Vietnamese Governments which support the Salvadoran guerrillas. This aid is given through /Nicaragua/. There are ambassadors in /Nicaragua/ from all these countries and it is here that the support given by these countries is received.

The countries which support the Sandinist cause in a militant manner, and the Salvadoran people indirectly, include (the GDR) which gives technical, medical and industrial support to the Nicaraguan guerrillas and the Sandinists. The people give technical and tactical support for the training of technical, industrial and military personnel. There is also /Ethiopia/ where I was sent on October 1979 following the triumph of the Sandinist Revolution to receive training on subsoil and vegetation. This course was mostly on the building of tunnels called /"Tatu"/ by the guerrillas...and hiding places for camps within forest areas. I also received training in camouflage, or the general course on vegetation. These courses are also given to the Nicaraguan military in /Vietnam/ and /Angola/ as well as in

/Cuba/. There are also peoples who contribute considerable aid to the Salvadoran guerrillas and channel it through the Nicaraguan people. One of these is the Panamanian people who contribute by means of solidarity committees to aid the Salvadoran guerrillas.

Among the world leaders who support the Salvadoran guerrillas are the Nicaraguan members of the FSLN National Directorate. They are: /Carlos Nunez, Luis Carrion, Humberto Ortega, Bayardo Arce, Jaime Huilo, Victor Manuel Tirado Lopez (a Mexican), Daniel Ortega, Henry Ruiz, and Tomas Borge Martinez/. There are also other brigade commanders who support the guerrillas directly, these are /Eden Pastora/ (a Costa Rican), chief of the peoples militia, /Dora Maria Telloz/, guerrilla commander, /Omar Lacayo/, guerrilla commander /Eladio Sanchez/. There is also the direct aid given by /Fidel Castro/ to the Salvadoran guerrillas by means of the Nicaraguan people as well as the training of personnel on the island. There is also the Russian Communist Party Central Committee which also supports the Salvadoran guerrilla directly.

The reason I have spoken and appeared before you is as follows: In /Nicaragua/ I was given an image quite different from the one existing in El Salvador. First, I was told that the armed forces were a truly repressive force, that they were a fascist force, with a militarist, selfish and personalist nature, and that they were opposed to the broad peoples classes. This is not true since I have found a decent, well-organized and disciplined armed forces.

I was also told that the guerrillas had "liberated part of the Salvadoran territory" and that the guerrillas moved freely in this area. This is also false, there is no liberated part of El Salvador. I was also told that the guerrillas received 100 percent support from the Salvadoran people. Upon my arrival in /El Salvador/ I could see for myself that this is not true and that the propaganda machinery which the guerrillas have abroad...exaggerate things. They are...liars, let us say...since they speak of an overwhelming support. I saw for myself that in /El Salvador/ there is no such support and if there is any it is minimal and pressured.

The logistical ratio in terms of what the /Salvadoran/ guerrilla or revolutionary forces have compared to what they could have is small since in /El Salvador/ there is about 1 percent of the weapons stored in the /Nicaraguan/ central warehouses. Most of the weapons are perhaps in the weapons warehouses in the /German Pomares/ or the /bunker/ pretending to be Sandinist army warehouses. These weapons are for the purpose of regionalizing a liberated area or perhaps to mount a political-military rearguard in the region for the following military purpose: /The Russian Government with the military aim of seizing the Venezuelan and Mexican oil wells/ has established a beachhead in /Nicaragua/ where it has a firm foothold on the continental territory and pretends to dominate /El Salvador/ thereby creating a rearguard for the Guatemalan guerrillas which, following a Salvadoran victory, would be financed and supported by /Nicaragua/ and /El Salvador/ having facilities for penetration of armament by land, sea and air, especially by land, for the liberation of Guatemala. This would divide the American territory in two parts: the American territory and South America. This would leave Central America in the hands of the socialists. This framework of liberation in Nicaragua, El Salvador and Guatemala would create a ring around Honduras which would also fall, leaving

Central America in socialist hands. This would leave /Panama/ acting as a rear-guard for the South American forces. /Costa Rica/ would also fall for reasons of dialectics.

/The aim behind all this is to control the oil wells in Mexico and Venezuela/. It would also work for the liberation of these countries and to make a direct attack on the United States through /Mexico/ and on the military South American Governments. The attack would be supported by the Central American revolutions.

This is the way the socialist governments view the struggle of the Central American peoples.

CSO: 3010

JUNTA POLICIES CRITICIZED BY PCN POLITICAL COMMITTEE

San Salvador EL MUNDO in Spanish 14 Feb 81 p 10

[Text] The political committee of the National Conciliation Party (PCN) made some statements to us assessing the activity of the government and attempting to set forth cause and effect on the national level, in answer to the question "Where are we being led politically?"

This question, the members of the committee say, "derives from the deep concern felt at present by the citizenry, without distinction as to position or creed, given the lack of clarity in the political leadership of the country." The statements indicate that "many things are becoming intolerable and negative: the excessive control of the mass communications media and the monotonous insistence on a single voice, a single political plan; the self-defeating deafness of the state bodies with regard to positive suggestions offered to them daily, as in the case of the absurd change in the hour; the vexatious and disproportionate changes in the municipal, ANDA [National Water and Sewer Administration] and tax rates; and the indefinite postponement of the solutions offered to the people by the 15 October Proclamation, the Popular Forum, and the First and Second Christian Democratic Pacts."

The PCN explained "that if indeed it is true that the point of origin for the current crisis can be found in the inadequate economic and social structures of the traditional society, in the problems of agriculture and national income, the present reality indicates that these problems have experienced a rapid shift toward the military and political fields, to the struggle for the survival of the democratic system, and with it the reassessment of free enterprise, the private ownership system, the political regime and our nation's code of values." And it added that "these are the priority problems at the present time, and for this reason the alien idea of dividing the possible solution of the crisis into a political outcome or a military outcome is contradictory and confusing. In a case like this," it was stated, "with a situational crisis such as that from which the country is suffering, the solution must be military and political, or political and military, but never one or the other."

Further on, the political party which is now because of circumstances situated in the opposition to the PDC [Christian Democratic Party] which is in power, said: "On the contrary, and as is obvious, the organizations of the extreme left believe, and so they have said through various media, that the objective and subjective conditions have developed in our society for a radical change in the system, and that for this reason it finds itself in a revolutionary situation. Based on this analysis, the revolutionary sectors set forth a clear, well-defined, definitive plan. They are

struggling to win political power by means of weapons, in order then to establish a socialist regime. This is the beginning and the end for the Marxist faction and in this respect they do not attempt to confuse or deceive anyone, nor do they any longer seek concealment of any kind. Neither do they conceal or amend their commitment to foreign political interests, such that the citizens of El Salvador now clearly know what their position and intentions are.

"On the other hand," the PCN went on to say, "the sector managing public affairs in this period continues to be bound politically and socially to the reforms decided upon originally, an issue which may still be valid for the reformed sector and to justify change, but which has now been relegated to a secondary level overall because of the conditions of personal and family danger men in the rural sector must tolerate; the impossibility of cultivating the land in peace; the risks involved in offering services in exchange for a wage; the difficulty or impossibility of collecting the harvests; the partial exodus involving guarding one's belongings during the day and fleeing to the towns and cities at night, for reasons of safety; the massive exodus and abandonment of goods and hopes; and the experience of having to live on public charity, whereas the peasantry has not only always been worthy, but has been willing to share the little it had with others. And as if this were not enough, those who remain in their district to suffer countless vexations must pay war taxes on their meager savings. If it is justified to blame earlier governments for this chaotic situation, it is also justified to ask how it is that political and religious sectors could serve as a cover for policies now regarded as so ignominious."

In its subsequent analysis, the PCN focused on other aspects of the policy of the government today, stating at one point that "a schematic view of this situation in which man in El Salvador finds himself might be organized as follows: 1. destruction of rural, industrial, service, commercial and other property; 2. payment of ransoms for kidnappings or revolutionary war taxes; 3. criminal plundering in the cities and the countryside and in homes, streets and roads; 4. massive and partial exodus on all social levels and in all districts; and 5. disproportionate tax burdens decreed by the government to the point of beginning to destroy the productive activity of Salvadoran citizens."

The political committee of the PCN concluded with statements which we will publish in future issues, saying that "the final straw is the assessment of taxes against those affected by agrarian reform."

5157

C80: 5100

FOREIGN SECRETARY INTERVIEWED ON NORTH-SOUTH SUMMIT

FL130001 Mexico City NOTIMEX in Spanish 1934 GMT 13 Mar 81

[Report by Enrique Alvarez Manilla]

[Excerpts] Vienna, Austria, 13 Mar (NOTIMEX)--Mexican Foreign Relations Secretary (Minister) Jorge Castaneda this afternoon released the list of countries that will attend the north-south dialogue summit conference to be held in Cancun (southern coast of the country), Mexico. He also discussed topics such as the attendance of the United States, the absence of Cuba and invitation to the Soviet Union.

At a press conference granted to Mexican journalists gathered here, the foreign secretary explained that the ministers' meeting preparatory to the north-south dialogue is about to end due to the consensus reached by the participants and definitive agreements reached.

Regarding Cuba's absence from the conference, Castaneda Alvarez de la Rosa said that Mexico proposed that it be invited and that it would view Cuba's attendance in a positive way.

He added that there was resistance by the great majority of foreign ministers attending the meeting, some for their own reasons and others because they believed that Cuba's presence at the conference would have (?forced) the United States into not attending.

The foreign secretary believed that the aforementioned represents a political risk for the conference and admitted that his delegation considered it regrettable and rejected it.

Eight developed countries--Japan, Great Britain, Germany, France, Canada, Austria, Sweden and the United States--will attend.

Yugoslavia will attend as an exception, and from Latin America it will be Brazil, Venezuela, Mexico and Guyana.

From Africa, participants will be Algeria, Tanzania, Nigeria and Ivory Coast; while from Asia it will be the chiefs of state of India, Saudi Arabia, Bangladesh and the Philippines, in addition to the Soviet Union and China which have been invited.

Foreign Secretary Jorge Castaneda indicated that no one will attend with a mandate or request from others and that discussions will be made freely and honestly.

The Mexican official said if the international situation is not remedied within a reasonable period of time, the danger exists that it will lead to a crisis of greater proportions which will aggravate the needs of mankind even more.

CSO: 3010

'IMPERIALIST' ANTI-NICARAGUA STRATEGY DENOUNCED

PA111658 Managua Radio Sandino in Spanish 1200 GMT 11 Mar 81

[Station commentary: "Coincidences That Are Not Accidental"]

[Text] Yankee imperialism, particularly its most aggressive circles, has a world counterrevolutionary strategy with which it plans to restore political power where it has lost it and to prevent the victory of revolution, in those places where it is about to lose its power.

There is a world imperialist strategy that includes political maneuvering--which hypocritically boasts of being civic-minded and interested in dialogue--as well as directing terrorist actions or those carried out by secret organizations.

Sometimes the great puppeteers move their puppets to make them shout their slogans and gradually create the domestic psychological and political conditions that the counterrevolutionary hordes need to carry out their attack later on.

The strategy for the restoration of imperialism skillfully combines a campaign of slanders by the best known agents of local reaction with an economic blockade, in order to gradually crush the revolutionary process.

In other words, while some speak up and pour poison, the counterrevolutionary bands carry out parallel and simultaneous actions. Even as we are being left without wheat, rallies are being organized to agitate and blame the revolution for all social evils. This is the materialization of the old Somozist saying: Do not just pray for it, but try to get it.

While, in order to justify the imperialist attack, the revolution is charged with trafficking in weapons for the Salvadoran patriots in collusion with Cuba and the Soviet Union, the true culprits, the ones supplying tens of millions of dollars in weapons and ammunition appear as good gentlemen aiding a pacifist, democratic and honorable government, such as the one headed by Napoleon, the little Duarte, in order not to be caught, the criminal yells: Follow that thief; he robbed me, just so the shark can swallow the sardine.

In Nicaragua meanwhile, reaction is at the ready. Following the destabilization program, it not only supports and applauds the actions carried out by the armed bands, but on its radio stations and newspaper it coquettishly makes itself up to look like a power alternative in the face of an imaginary Sandinist failure.

All this is part of a whole known as counterrevolution. Sometimes they fire their machineguns, sometimes they deliver political-business speeches, play games with pistol in hand, or shout that they are the only ones who know how to rule. They have been very active near Nandaimo and are still moving about. It is no coincidence that arms caches have been found there, with real weapons that kill, not the play type. It is no coincidence either that the sugar cane was burned in a sugar mill there causing great losses. Nor is it a coincidence that some very merry gentlemen are planning an event, which they will hold in total freedom, to yell that there is no freedom here and to yell against totalitarianism and production deficiencies, but without saying that if production has not reached other levels, they are the ones to blame.

In short, the program of both reaction and imperialism continues so that once certain conditions are created, the final attack can be carried out. They think that once in power again, they will have in their hands the chicken of the golden eggs. But the small fig leaf covering their shame is definitely about to fall off.

CSO: 3010

CONFESSIONS OF SALVADORAN GUERRILLA TERMED FALSE

PA031546 Managua BARRICADA in Spanish 25 Feb 81 p 2

[Unattributed commentary]

[Text] Like a magician who pulls a rabbit out of his hat, the Salvadoran regime has now produced an alleged former "Sandinist" lieutenant who "confessed" at a news conference that the Salvadoran guerrillas had received 12 tons of armaments from abroad.

The alleged former Sandinist officer, who said his name was Orlando Gardencilla Tinoco, did not get very far with his false tale. He said that "up until 1 year ago, he was a lieutenant in the Nicaraguan Army," while everyone knows that 1 year ago, the army had not yet granted ranks to the members of the People's Sandinist Army [EPS]. Besides, his name does not appear in the list published on 17 July 1980.

Further on, the boy, whom we do not rule out might have made his statements after being tortured, says that he "resigned from his military post to join the Salvadoran guerrilla movement" through a nonexistent "committee of support for the Salvadoran people that operates in Managua."

The novelesque story does not end there. Gardencilla, (a surname that is not the least bit Nicaraguan) who--according to EFE--is an 18-year-old youth, says he was "commander of the subcentral zone of the Modesto Ramirez Central Front," that he belonged to the Armed Forces of National Resistance, and that he had no less than 130 guerrillas under his command.

In a libretto that looks like the one written by the State Department (the junta does not have these abilities), which is 200 pages long and contains "proof" of "Soviet interference," but which also contradicts him, Gardencilla says that "the Salvadoran guerrilla movement receives the total and open support of socialist sectors of the whole world," but that this support is "mainly carried out on an economic level so that later they can buy weapons on the black market."

Well now, what is it going to be? Do the weapons come from socialist countries? Did they swap them with Nicaragua? Or do they buy them from the North Americans on the black market?

As though this were not enough, the "former Sandinist lieutenant" says he entered El Salvador "without weapons or documents," something that is pretty convenient for the Christian Democratic-military junta because nobody can prove who the fellow is. But on the other hand, how can they prove he is a former Sandinist lieutenant?

Like other attempts at implicating Col Adolfo Majano, Gardencilla stated that Majano passed weapons on to the guerrillas, something which Majano is not in a position to deny since he has been in prison for several days.

This statement endangers the life of Colonel Majano who, the junta has announced, will be court-martialed for disobeying orders to assume the post of military attache in Spain, but after Gardencilla's "confession," this can become the excuse for his execution under a new charge of "treason to the nation and collaboration with the enemy."

The maneuver is obvious: The alleged former lieutenant would be "proof" of the intervention of Nicaragua and the socialist countries, which would justify U.S. intervention in Central America. Meanwhile, they would get Majano out of the way since he is a political problem for the Salvadoran junta both domestically and internationally.

CSO: 3010

COUNTRY SECTION

NICARAGUA

BRIEFS

CREDITS FROM LATIN AMERICA--Roger Guevara, executive of the Action Committee for Nicaraguan Reconstruction has announced that Nicaragua's credit line in Latin America amounts to almost \$170 million. [Managua Sistema Sandinista Television Network in Spanish 0200 GMT 17 Feb 81]

CSO: 3010

PEOPLE 'FED UP' WITH REAGAN'S VIEW OF COMMUNISM

PA081601 Panama City CRITICA in Spanish 7 Mar 81 p 27

[Article by Victor M. Franceschi: "Message to Mr Reagan"]

[Text] Although you have said you do not read, I am taking the liberty of telling you that there are about 100 books by U.S. authors--who are not communists but are, nevertheless, honest--criticizing U.S. policy toward Latin America, especially regarding intervention by your country. Bolivar, tried to curb this intervention in his letter of Jamaica in 1815, and through the Inter-American Congress in 1826. You must recall that the United States did not like intervention either and that is why it issued the Monroe Doctrine against European intervention.

Your secretary of state, Alexander Haig, has world public opinion on tenterhooks with his threat of intervention against Cuba and Nicaragua just because you believe these countries are "the roots" of the problem worsening the present Salvadoran crisis. We Latin Americans, Mr Reagan, are fed up with having our intelligence insulted with your trying to sell us the idea that communism is "the root" of all subversion, of all social malaise and all national crises on our continent.

We are not living in Eastern Europe, nor do we form part of the USSR. We have never been under the socialist sphere of influence. With the exception of Cuba, no Latin American country has had a socialist government. Marxists have assumed power, like Jacobo Arbenz in Guatemala, and Salvador Allende in Chile. If our peoples have never lived under socialism, no one can believe that Stalin or Brezhnev are to blame for all the misery, hunger, disease, the exploitation of man, the looting of our natural resources, illiteracy and other evils on our continent. Nor can we believe that atheism is to blame for all these evils because we are a religious people, mostly Christians, thanks to Spanish imperialism.

One thing all Latin Americans are sure of, Mr Reagan, is that United Brands, ITT, General Motors or the big seven oil companies, have brazenly looted our natural resources, our peace, our blood and our lives. And Latin Americans are aware that neither the USSR nor the PRC own these giant corporations that since last century--in connivance with the local oligarchies and false patriots--have impoverished millions for the benefit of a few of their countrymen as well as ours.

The USSR was the big bad wolf before Fidel. Then there was Fidel, and now it is Nicaragua, as well. Panama, however, can not blame Fidel, the USSR, or Nicaragua

for the plundering that we have suffered through the canal. Neither can Mexico blame Fidel, the USSR, or Nicaragua for the robbery of half of its territory. Our evils have nothing in common with communism, while they are intimately linked with and are a result of yankee capitalism. Latin America, therefore, condemns and rejects the outdated U.S. interventionist policy that you plan to use in El Salvador brandishing the ghost of communism, which is a base and despicable pretext.

Mr Reagan, when a country signs agreements, it should honor them. That is why when you were nominated candidate for the presidency, no Latin American country sent agents or military missions to your country to prevent your election, although you do not represent the best for America's interests. Your country is a signatory nation of several conferences which reject interventionism, mainly the OAS Charter whose Article No 18 reads:

"No state or group of states has the right to intervene, directly or indirectly, for any reason whatsoever in another state's domestic or foreign affairs. This principle bans, not only armed force, but also any other form of intervention or threat against the state or its political, economic and cultural elements."

Mr Reagan, it is up to the strongest, the most civilized one, who wants to set a good example, to honor his word, especially in agreements with weaker nations. Remember, however, that there has never been a country so weak that it could not shake off its master, like what happened with the 13 colonies and the British empire.

CSO: 3010

POSSIBILITY OF POLITICAL SITUATION IN EL SALVADOR VIEWED

PA090054 Panama City LA REPUBLICA in Spanish 8 Mar 81 p 4-A

[Editorial: "For a Political Way Out"]

[Text] Last week, following the meeting here of the delegates of the Socialist International, the possibility of a political solution to the Salvadoran conflict emerged.

At the conclusion of the meeting the delegates issued a document calling on the world to find such a solution for El Salvador. Willy Brandt, of the German Social Democrats, was proposed as mediator of the Socialist International in the conflict.

Although Washington has been cautious in this regard, Ronald Reagan's personal representative, who was in Panama at that time, took advantage of a news conference to state that "the United States wants for El Salvador a peaceful and pluralist liberty." International observers and analysts who were in this capital to cover the socialist summit meeting, saw General Walters' statements as an opening toward the possibility that the United States could participate in an action like that proposed in the socialist communique.

According to these observers, the latest estimate by the Salvadoran church on the killings in that Central American country is terrifying. It is probable that this message could have impressed the White House. The Salvadoran church believes more than 14,000 persons have died and that 80 percent of the dead were victims of the right and the armed forces.

The possibility of finding a political solution to the Salvadoran problem has been studied by all the Latin American and European governments. Dr Guillermo Ungo, chairman of the Revolutionary Democratic Front (FDR) of El Salvador, is quoted in a local magazine as saying in an interview that "we are prepared to talk with the United States to find Salvadoran solutions." The same experts admit that while it is true that Dr Ungo did not clearly mention specific solutions, the political option has not been discarded, according to the interpretation that has been made of Dr Ungo's statements.

The United States has increased its shipments of arms to El Salvador. It has also increased its economic aid to the military-Christian democratic government of that country. The threat of a coup d'etat has emerged in El Salvador. Reportedly,

landowners opposed to agrarian and social reforms, ultrarightist officers, and businessmen and bankers who reject the proposed nationalization of some business areas and the banks, are involved in the coup threat.

This is why it is necessary to speed up negotiations for a political solution in El Salvador. Time is running out, and for this reason, according to Socialist International spokesmen, it is now that efforts must be made with good will and humane awareness to achieve the objectives and to bring the suffering of the Salvadoran people to an end.

According to analysts, there is an unknown factor about Christian democracy, which has been fully involved in the Salvadoran tragedy: in the International Christian Democratic Conference last week in Antwerp, Belgium, it was decided to continue giving moral and economic support to the present Salvadoran Government. It has been considered that this decision is aimed at blocking any alternative other than a military solution for the Salvadoran problem.

CSO: 3010

GEN WALTERS HANDLED LOCAL PRESS 'VERY SKILLFULLY'

PA061613 Panama City MATUTINO in Spanish 6 Mar 81 p 6-A

[Article by Ricardo Lince: "He Came, He Spoke and He Left"]

[Text] Involuntarily camouflaged by the confetti and streamers of carnival, Ret Gen Vernon Walters, whom the state department sent on a special mission to advise the national government on the scope of the U.S. policy in El Salvador and to learn about Panama's position on this matter, arrived Friday in Panama in an effort to bolster U.S. policy in Central America by contacting friendly governments.

Walters, who has been described as the typical tough military officer, very skillfully handled the Panamanian press at Tocumen airport after fulfilling his mission. It was obvious that his civilian clothes did not detract any elegance either from his free-and-easy military manner or from his nervous dialogue in a Spanish that he speaks rapidly, as if chewing the words, which provided an expectant rhythm to the conversation. The latter was tinged with the spark of his intelligence, his direct style and the glimpses of his sly humor, as when he declared himself "a spectator of this thing."

More substantially, he said that he had held a very interesting meeting with the Panamanian leaders. Walters met with Vice President Ricardo De La Espriella and with national guard commander Gen Omar Torrijos. Torrijos, Walters said, commented that he might play a role in these negotiations and "it seemed to me that he was very active." Panama, he affirmed, is a sister country of El Salvador, a sister of Nicaragua; it is a sister nation with special knowledge about this region and we hope that Panama will contribute as much as possible, so there can be a peaceful and pluralist solution in El Salvador.

He referred to Panama's importance as a country that can help achieve a negotiated political solution by stressing that he had been very favorably impressed by his meetings with the Panamanian leaders, that is, with De La Espriella and Torrijos. Walters unexpectedly made a public acknowledgement of this country's political culture and personality, noting that due to its history and location Panama has a general understanding of many developments that go beyond Panama and Central America. He emphatically said: "I declare myself satisfied."

In his country's name, Walters left the official message that what worries the United States is the external effort to impose a solution on the Salvadoran people by force. We want a peaceful and pluralist solution to exist in El Salvador. The people will have several political parties among which they will be able to choose. Walters, however, said that the contents of his talks with the members of the Socialist International who were meeting here in search of solutions to the same problem but along different paths, constituted a state secret.

CSO: 3010

NICARAGUAN AMBASSADOR ASKS PANAMANIAN SOLIDARITY

PA160109 Panama City LA PRENSA in Spanish 13 Mar 81 p 6A

[Excerpts] Besides denouncing the chain of aggressions against the Nicaraguan Government and people, the Nicaraguan ambassador to Panama, Francisco Quinonez, appealed for the solidarity of the Panamanian people to begin a "read for Nicaragua" campaign.

"We trust you will not abandon us, that you will accompany us in our struggle so that our threatened dawn will continue until it reaches its revolutionary brightness," said Quinonez.

His words closed an event to honor Gen Augusto Sandino held at the University of Panama auditorium last Wednesday. It was sponsored by the University of Panama and the Panamanian Committee for Solidarity with Nicaragua.

Quinonez stressed the work of the committee and remarked that "solidarity is and continues to be an essential element in the Sandinist struggle," since the days of the general of free men and the successive struggles of the Nicaraguan people. He revealed the support of the Panamanian people saying: "You have played a decisive role in the revolutionary struggle of the Nicaraguan people." This solidarity must continue in order to help unmask the enemies, fight them and defeat them.

In order to defeat the enemy of all of these fronts, the solidarity of peoples will continue to play a key role. "Do not let yourselves be deceived by the maneuvers and manipulations of imperialism; remain alert in the face of its aggression against the revolution and the people of Nicaragua," Quinonez concluded.

Imperialist aggression is not unknown to the Nicaraguan people. It has been constant throughout Nicaraguan history, Prof Edelberto Torres, a special guest at the event in honor of the 47th anniversary of the assassination of Sandino, showed.

CSO: 3010

TORRIJOS SEEN AS ALTERNATIVE FOR LEADERSHIP VACUUM

PA082358 Panama City LA REPUBLICA in Spanish 8 Mar 81 p 3-A

[Jose Franco "Line of Fire" column: "Invitation to General Torrijos"]

[Text] For those of us professionally who must daily read signs and events in the nation, it is not difficult to draw conclusions regarding the manner in which events develop, personages emerge in our drama and, in a word, the very destiny of the nation is shaped slowly and almost imperceptibly on the course toward the turn of the century.

In this sleepless exercise we have arrived at the exact truth that in this day and age there exists a crisis of values, both in the ranks of the government and in the ranks of the opposition since both are short of charismatic cadres capable of attracting, because of their background and their personality, an appreciable consensus of citizens, which definitely constitutes one of the most notable deficiencies ever in our public life.

For this reason, and after considering it at length, we have thought it convenient to propound from this journalistic tribune the proposal that Brig Gen Omar Torrijos Herrera be asked to set aside his retiring [recesionista] attitude and actively enter the scene to fill the vacuum we have outlined here, vigorously provoke the catharsis that will awaken the mass of the people from its present political lethargy.

And we do not propose this as a simple solution to the crisis, both internal and of leadership, afflicting the Democratic Revolutionary Party, since this would be only a partial solution to the organic problems of a party, but as a therapy to ease the lack of direction afflicting the nation's leadership and as a rational formula to galvanize the Panamanian people at this hour of internal and external battles. We propose this in the face of the results of the last elections which, no matter what is said, turned out to be politically frustrating for the government.

Our struggle to conquer a nation fully liberated from its traditional economic dependencies, willing to take off toward broad goals of autarchic development in its farming and livestock production and capable of executing canal-linked transitions in the context of the pacts which Torrijos himself conceived and signed call for a leader of the stature of the leader of the revolutionary process to carry the historical flag at the present national crossroads.

We know General Torrijos is irritated when his return to public life is even hinted at. But as a newsmen I must express my personal opinion, what I feel as a citizen, and that is what I am doing.

What mostly concerns me as a Panamanian is that General Torrijos might emerge when it is already too late for the revolution and the nation.

CSO: 3010

SOCIALIST INTERNATIONAL MOTIVES QUESTIONED

PA121729 Panama City LA PRENSA in Spanish 11 Mar 81 p 8A

[Article by Carlos Lasso Jaen: "The Salvadoran Crisis and the Holiday Inn Gang"]

[Text] The Costa Rican National Liberation Party's clear and brave rejection of the irresponsible statements made by Socialist International in Madrid, supporting the Salvadoran guerrillas and excesses of Sandinism in the also unfortunate Nicaragua, led to a call for an emergency meeting to avoid a break with one of the most prestigious political parties in Central America and the Caribbean. It was obvious that Costa Rica, being the closest observer of the Central American catastrophe and the most directly affected by the Marxist arrogance and the inhumane arms traffic, could not possibly commit itself to a position that in practice constituted veritable national suicide. On the other hand, it was necessary to save the face of the truculent Guillermo Ungo, who had had a lot to say about military victories and popular support and was now clamoring desperately for political victories.

Acting as host of the emergency meeting was the official political party of the "Panamanian Revolution," which is considered to be a "brother" in aims and purposes--powerful reasons for Socialist International to close its eyes to the precarious state of democracy in our country after 12 years of continuous disregard for the people's will. The great American and European experts, prominent among whom was Carlos Andres Perez--of the great poses--met at the luxurious Holiday Inn in the appropriate framework of the carnival, amid speeches, good food and better drinks.

The conclusions reached can be summarized in two parts:

- A. The opposition group headed by Guillermo Ungo is "the sole and legitimate spokesman of the Salvadoran people";
- B. The appropriate mediator to seek a solution to the Salvadoran crisis is Willy Brandt, former chancellor of the FRG and a signer of the controversial document published in Madrid.

Efforts to solve the tragedy being experienced by the fraternal people of El Salvador are urgently needed and should be received with warmth. However, I believe that it is infamous to seek positions of political or economic advantage under the pretext of seeking peace and concord.

The solutions required by El Salvador are those which respond to the country's highest interests. These are solutions that put an end to the bloodlust and the ambition of international adventurers; solutions that do not come out of the garrisons; solutions that eliminate the large landholdings, the misery and the egotists who place themselves above the fatherland; solutions that preserve the country for freedom and democracy.

CSO: 3010

GOVERNMENT OPPOSITION TO BLACK HAWK IV CRITICIZED

PA090124 Panama City LA PRENSA in Spanish 8 Mar 81 Sunday supplement p 6

[Miguel Antonio Bernal "Alternative" column: Black Hawk IV and the Carter-Torrijos Treaties"]

[Text] Military exercises condemned Black Hawk IV began on 18 February. They were organized and carried out for over 1 week in the canal area by the U.S. army under the direction of the southern command.

The staging of these exercises, in which the Panamanian National Guard said it refused to participate, sparked protests by the Panamanian authorities and various organizations. We believe it necessary to analyze not only the reason for these military exercises in our country but also the reason for the government's protests.

The United States has always used the Panamanian territory under its control for various military activities that go beyond simple maneuvers and exercises. On very rare occasions have the various administrations of our country been opposed to these activities. In most cases they either remained silent or participated. Under the present regime, no efforts have been spared to participate in training courses, exercises, practices, schools, tests or whatever name was given to the military activity organized by the Pentagon or one of its branches.

On this occasion the exercises were carried out, according to a communique of the U.S. southern command under Lt Gen Wallace H. Nutting, "under the provisions of Article IV, Paragraph 2 of the Panama Canal Treaty," or Carter-Torrijos [as published] Treaty. The referent article states: "2. For the duration of this treaty, the United States of America shall have primary responsibility to protect and defend the canal. The rights of the United States of America to station, train, and move military forces within the Republic of Panama are described in the agreement in implementation of this article, signed this date. The use of areas and installations and the legal status of the armed forces of the United States of America in the Republic of Panama shall be governed by the aforesaid agreement."

For its part, the "agreement in implementation of Article IV of the Panama Canal Treaty" in its Annex A mentions a total of over 100 defense sites, military areas of coordination and other installations, while Annex B outlines the "terms for administration of military areas of coordination." In addition, the "agreement

on certain activities of the United States of America in the Republic of Panama" in Points 1, 2 and 3 and Paragraph 3 of the Annex establish the "authorization" for conducting a number of military activities such as those carried out in Black Hawk IV.

That is, according to the Carter-Torrijos Treaties, negotiated, signed, ratified and even defended by the present administration, Black Hawk IV is "legal," or even is included in that famous 7 September quip known as "the umbrella of the Pentagon." Therefore, the presence of the USS Thomas C. Hart (FF1092), the USS Bulder (LST 1190), the Company L of the 6th marines, of the 2d marine division, of the six patrol boats of the 22d boat company of New Orleans, the 4th battalion, 1st air defense artillery, of Fort Bliss, Texas, and the six Hawk "air defense missile launchers" and others, who by land, sea and air carried out their activities on our territory, did so not at the invitation of the Panamanian people but thanks to the Carter-Torrijos Treaties. Those who negotiated and signed those treaties in the name of the Panamanian people knew perfectly well what they were exposing us to and also knew perfectly well that this was and is contrary to every principle of sovereignty and dignity for which our people have fought so much throughout their history.

The protests emerging from government sectors are a part of the already known demagogic uproar which characterizes them. It is a way of wanting to appear in the eyes of national and international opinion as defenders of a territorial sovereignty which they themselves took care of betraying, as opponents of military bases which they themselves legalized, as contrary to an interventionist policy to which they became accomplices by imposing on us the interventionist, militaristic, antidemocratic and antipopular treaties.

But the present government stance and their present ravings do not justify in any way the silence of civic, political, trade union and professional organizations of our country in the face of the prepotence and practices of the armed forces of the United States and their government. Nothing can nor should force us to accept these exercises under the excuse that the Carter-Torrijos Treaty accepted them, as the southern command communique states. If the present regime did not defend our sovereignty, if they did not want, at the proper moment, to reject complicity in exercises which, far from defending the canal, are a threat and danger to our nation, all us Panamanians who from one position or the other have defended the sovereignty and dignity of our country and who have fought and still fight to free it from the foreign boot or any other boot have the obligation to tell the peoples of the world that these activities take place against the will and desire of our people, who cannot speak out against them in a massive and firm way because they do not have mechanisms to do so.

CSO: 3010

TV STATION GIVES ACCOUNT OF ANCON HILL INCIDENT

PA180330 Panama City Televisora Nacional. in Spanish 2315 GMT 17 Mar 81

[Report by Luz Maria Noli]

[Text] The access route to Ancon Hill was closed this morning when U.S. military forces stationed in Quarry Heights Base closed and padlocked the gates. According to reports obtained by this station at the foot of the hill, a Panamanian Tourism Institute [IPAT] was scheduled to begin a tour this morning in which a small bus and a special guide would take visitors to the hill lookout point.

The program was due to begin after months of talks between Panamanian and U.S. authorities which closed last Friday with an agreement on three basic issues. First, the IPAT bus would make four trips, two toward the lookout point and two others on its way back, transporting the institute's personnel in charge of the project. Second, all vehicles connected with the maintenance of the U.S. military radar in Quarry Heights would remain inside the radar area so as not to obstruct traffic, and, third, the phone used to coordinate the ascent and descent of the vehicle along the narrow road to the top of the hill would be relocated so that the IPAT officials could have access to it.

According to two IPAT officials, Julian Chan and Carlos Espino, the U.S. military authorities violated the agreement by barring the Panamanians' access to the hill, by parking the radar vehicles in the area to be used by the IPAT microbus and by not relocating the phone. However, Chan reported that the worst thing was when Colonel Proctor and four other high-ranking officers firmly barred access to Ancon Hill either by foot or by car. According to Chan, the gestures and fierce demeanor of the U.S. military left no room for doubt about what they meant.

Meanwhile, the 5th Victoriano Lorenzo Company, in solidarity with the Panamanian officials and the national guard unit watching over the entrance to the hill, blocked access to the hill with a radio patrolcar. In turn, a U.S. Embassy official, who was talking to the Panamanians when this station's reporters arrived on the scene, said this was all due to a misunderstanding or perhaps to a lack of communication. He added that he didn't know if it was possible to get in touch with the U.S. military information officers because he didn't have access to a telephone. Thereupon the station's team walked up to the U.S. guard post at the entrance to Quarry Heights.

We tried to begin a conversation three times by asking: Can we talk to an information officer? Is there an information officer available? Isn't anybody going to answer us? The reply we got to the three questions was silence, denoting total indifference.

CSO: 3010

COLUMNIST TERMS DEROGATION OF LAW 95 'TERRIBLE ERROR'

PA161352 Panama City LA PRENSA in Spanish 15 Mar 81 p 8-A

[Article by Carlos Valencia: "Law 95"]

[Text] It is understandable that an error could be made once because of ignorance or inexperience, but making the same error twice is inexcusable. It shows absolute incompetence, especially when a matter of the greatest importance for the life of a person or a nation is involved, as in the case we will discuss now.

In 1972, on orders from their superiors, persons, who were not the best suited for evaluating its economic and social effects, hastily and without consultation drafted a new labor code. The provisional government wanted to use the code to secure the political support of the workers, industry, commerce and the large agricultural enterprises. This code contributed to a paralyzation of private investments, unemployment, anarchy and chaos in productive activities. The labor "stability" provided by the code became a letter of marque for all workers to do whatever they wanted at their jobs. Shortly thereafter, the nation plunged into the deepest and most prolonged economic crisis in the past 30 years. After the painful experience during which the country directly suffered the effects of this legislation, in 1979 the government imposed Law 95. This measure had a high political price, but it was completely necessary to end the anarchy that existed in the businesses, the bankruptcy of many and the economic stagnation of the country.

As a result of Law 95, among other factors, the Panamanian economy began to flourish at the beginning of the new decade, the construction industry reemerged, new investments were made, companies carried out expansions that had not taken place in the years of fear and distrust and a new optimism appeared in Panama.

Because of all this, it is incredible that the legislative body could have annulled Law 95 and ordered the executive branch to present a labor bill within 3 months.

This measure was approved by legislators of the Democratic Revolutionary Party, PRD, and the opposition. The position of the opposition is wicked but logical. It secures a political banner and puts the administration of President Royo between the devil and the deep blue sea, and if the country again falls into a crisis--that could be worse than that of the 1970's--the military will probably feel forced to withdraw from power completely, as happened in Peru. This is a reasonable position

for someone who has come to the conclusion that he must get rid of military prepotency at any cost and that any alternative is better than what we have right now. What we cannot understand is why the disciplined progovernment members of the legislature have supported this measure that is harmful to the country and even more harmful to their party and to the government system they defend.

It is important that gullible people do not swallow this story and understand that there is no room for negotiations in the matter of labor stability. A legislative chamber commission proposed that the local courts should decide if an employer has or has not reasonable cause for dismissing an employee. Those who proposed this measure either ignore or want to forget that in most cases it is impossible to show evidence proving that the reasons for dismissal pointed out by the labor code exist, that it is impossible "to show this evidence" in court because of the very nature of labor relations, as it has been repeatedly explained on other occasions, and that their proposal would mean a return to stability [as published]. In other words, it is very difficult to find a satisfactory solution that pleases both sides with regard to stability and safeguarding the discipline necessary for a smooth operation in any organization.

If the derogation of Law 95 is upheld, the country will plunge into a crisis worse than that of the 1970's, because of the alarming situation of public finances, the terrible situation of state enterprises and the explosive political situation in Central America. These factors did not exist at the beginning of the past decade.

If the government commits the same error twice, it will move every conscientious Panamanian to conclude that only a total and radical change can again put the country on the path of economic progress and social well-being.

CSO: 3010

LOCAL 900 EXPLAINS OBJECTION TO TITLE 7 APPLICATION

PA160305 Panama City MATUTINO in Spanish 14 Mar 81 pp 1, 8-A

[Text] A spokesman for Local 900, the labor union of the Panama Canal Commission's employees, said today that officials of the commission and several American labor leaders are making unprecedented efforts to try to convince the workers of the many "advantages" offered by Title 7 of the Civil Service Amendment Act of 1978, which the U.S. federal agencies in this country are attempting to apply in the republic.

At the request of many workers, Local 900 is circulating the reasons why it does not agree with the application of Title 7, which it considers contrary to the best interests of the Panamanian workers who serve in the Panama canal area.

1. Jurisdiction over the Panama canal area is no longer in U.S. hands. It is in Panama's. Therefore, application of Title 7 in Panama is illegal and conflicts with Panama's labor code.
2. Title 7 prohibits negotiation of wages, benefits, work hours and working conditions.
3. Using Title 7, the agencies prepared, approved, and implemented the Panama Area Wage Plan, resulting in the theft of more than 4 billion balboas from the pockets of the workers in the form of wages from 1 October to 31 December 1979, according to their own figures.
4. Since the treaty implementation, Panamanian workers cannot appeal to the U.S. Congress for better pay or benefits. However, the agencies want to use Title 7 to tie the hands of the workers and their unions, refusing them their inalienable right to demand better wages in negotiations on collective contracts.
5. The U.S. Congress has created a board of directors of the Panama Canal Commission with a majority of five Americans to four Panamanians. Using the 5-4 majority, the five Americans control everything and throw out the recommendations introduced by the four Panamanians. This situation will continue until the year 2000.
6. In 1990, when a Panamanian will take over the post of administrator of the commission, his hands will still be tied because of the majority of five Americans against four Panamanians on the board of directors. The Panamanian will be "administrator" in name only because the five Americans will make the decisions, according to the whim of the moment.

7. The situation in connection with the second portion of the 13th-month pay continues to be controversial because the U.S. agencies only want to accept what is beneficial for the commission and to the detriment of the workers, not the good part.

8. Title 7 allows interference in labor-management affairs in Panama by the U.S. federal labor relations authority for the purpose of regulating the unions, including unions with legal status granted by Panama's executive branch.

Local 900 will continue to publish a long list of the negative aspects of Title 7, including a clause forcing the unions to represent workers who are not members of that union, denying them the right to trade union security according to several international conventions approved by the International Labor Organization [ILO].

"Title 7 is only an antiunion management instrument alien to the ILO and is another way of controlling unions, just as the five Americans control the board of directors of the Panama Canal Commission," the Local 900 spokesman concluded.

CSO: 3010

IDB MISSION'S PLAUDITS REFLECTS COUNTRY'S IMAGE

PA131403 Panama City Domestic Service in Spanish 1700 GMT 12 Mar 81

[Station commentary: "Panama, Country That Fulfills Its Commitments"]

[Excerpts] The entire country has surely been interested in the visit of a high-level IDB mission for the purpose of analyzing the investments that our government has made with the funds that it has obtained as loans from the IDB. It is also visiting the country to analyze the requests for loans to finance new investment projects that will be carried out by various government institutions.

The high-level IDB mission has expressed its serious and justified opinion, stating that it will recommend that the IDB grant the credits that the various government agencies have fully justified. These agencies have provided exhaustive details on the problems that the country needs to solve.

In their inspection tour, the visitors have examined the correct use, administration and planning of the funds stemming from the aforementioned credits, a process that has been carried out with honesty and rectitude. They have also made the appropriate recommendations to guarantee achievements in production and productivity.

However, their views on the way that these delicate tasks of finance and administration have been carried out by the government executives are of utmost importance. We must add that these opinions have been issued after rigorous examinations and qualitative and quantitative analyses, the conclusions and recommendations of which are summarized in the statement that the Panamanian state and its authorities are honest investors and zealous administrators. For this reason we are worthy of the benefits obtained from the loans that we request and justify. This is even more so since we pay our debts and the projects for which we request financing are of a productive and income producing character which guarantees the repayment of the loans under the established conditions.

Therefore, we should feel proud and satisfied about the views of the high-level IDB mission. Along with our president, Aristides Royo Sanchez, who has received the praise and congratulations in behalf of our country, we can correctly state, we are citizens of Panama, country that fulfills its commitments.

CSO: 3010

BRIEFS

POLICY CHANGE--In just the first round of his tours abroad, President Reagan received the first broadside of rejection from the Canadian people, particularly because of his policy with regard to the brother Salvadoran people. This had to happen, because times have changed and it is no longer acceptable to scare people for the fun of it or to demonstrate who is more "macho" in the international sphere. At those levels, the policy of "machismo" is an error, because in the final analysis, the small and the great, the new and the old, defend what is theirs even with their fingernails, because concepts such as honor and sovereignty are an unfading cultural inheritance and when these values are threatened, enemies and friends join together. A U.S. military intervention would join the left and the right in El Salvador and would get the gringos out of there. President Reagan's position is extremely delicate. When he meets with his allies before his talks with the Russian leader, he will see that his true friends, such as the great Western powers, will advise him to choose peace and never war, because with violence, everybody loses. This being the case, we are sure that very soon U.S. international policy will change direction because of the pressure of world opinion. This first round has been instructive for Reagan. [Text] [PA121716 Panama City CRITICA in Spanish 12 Mar 81 p 30]

ANCON HILL INCIDENT--Several small buses carrying passengers to the top of Ancon Hill were stopped by U.S. army units who alleged they were doing this for security reasons. Colonel Proctor, of the Southern Command's 193d Infantry Brigade, issued instructions not to let any vehicle go all the way to the hilltop, under orders of Gen Wallace Nutting. The officials of the Panamanian Tourism Institute (IPAT) tried to reason with the American colonel, reminding him that on 13 March the U.S. and Panamanian authorities had reached an agreement on the movement of tourists to Ancon Hill. According to the IPAT officials, Proctor refused to listen to their reasonings, forcing them to leave the site. In view of this stand by the American officer, the tourist guides and drivers asked him for permission to bring down those who were already on the hilltop, but Colonel Proctor refused to let them do this. For its part, the national guard ordered that the entrance to Quarry Heights be temporarily closed to both civilian and U.S. military vehicles. When the incident occurred, President Royo's parents were at the site but fortunately they were allowed to come down without problems. Neither the Panamanian authorities nor the members of the Southern Command have issued yet any statement on this incident. However, it is expected that in the next few hours the U.S. Government will explain its reasons for violating the agreements reached between our countries. [Text] [PA171811 Panama City Circuito RPC Television in Spanish 1731 GMT 17 Mar 81]

CSO: 3010

END

END OF

FICHE

DATE FILMED

4-1-81